

February 26, 2004

Ms. Raquel Rodriguez
Dockets Unit
California Energy Commission
1516 9th Street
Sacramento, CA 95814

RE: The Roseville Energy Park (03-AFC-1)

Dear Ms. Rodriguez:

Enclosed for filing with the California Energy Commission are one original and 12 (Twelve) copies of **Letter from Charles E. Schneider, Enron, to Tom Habashi, City of Roseville, Regarding Purchase and Sale of Emission Reduction Credits, dated February 25, 2004, for the Roseville Energy Park (03-AFC-1).**

Sincerely,

Scott A. Galati
on behalf of
Roseville Electric

SAG/cp
Enclosures



Enron North America Corp.

P.O. Box 1188

Houston, TX 77251-1188

February 25, 2004

Mr. Tom Habashi
Electric Utility Director
City of Roseville
2090 Hilltop Circle
Roseville, California 95747

Re: Purchase and Sale of Emission Reduction Credits

Dear Mr. Habashi:

Pursuant to your request, this letter confirms that Enron North America Corporation ("Enron") and the City of Roseville ("Roseville") recently executed a Purchase and Sale Agreement dated as of February 13, 2004 (the "Agreement") for the purchase and sale of certain emission reduction credits ("ERC's"). As of the date of the Agreement, and subject to the terms and conditions set forth in said Agreement, Enron agrees to sell and Roseville undertakes to buy the following ERC's:

Placer County Air Pollution Control District Certificate #	Pollutant	Quantity (tons/year)
2001-23	NOx	10.1
2002-26	VOC	67.0
2001-22	PM10	28.4
2001-24	PM10	29.4

Should you have any questions or concerns regarding the above, please do not hesitate to contact Scott Churbock at 713-345-4623.

Sincerely,

A handwritten signature in blue ink, appearing to read "Charles E. Schneider". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Charles E. Schneider *RMP*
Managing Director

STATE OF CALIFORNIA

State Energy Resources
Conservation and Development Commission

In the Matter of:

Docket No. 03-AFC-1

Application for Certification for the
Roseville Energy Park
By The City of Roseville

PROOF OF SERVICE

I, Carole Phelps, declare that on February 26, 2004, I deposited copies of the attached **Letter from Charles E. Schneider, Enron, to Tom Habashi, City of Roseville, Regarding Purchase and Sale of Emission Reduction Credits, dated February 25, 2004, for the Roseville Energy Park Project** with first class postage thereon fully prepaid and addressed to the following:

DOCKET UNIT

I have sent the original signed document plus
the required 12 copies to the address below:

CALIFORNIA ENERGY COMMISSION
DOCKET UNIT, MS-4
ATTN: Docket No. 03-AFC-1
1516 Ninth Street
Sacramento, CA 95814-5512

I have also sent individual copies to:

APPLICANT

Tom Habashi, Executive Director
Roseville Electric
2090 Hilltop Circle
Roseville, CA 95747

Robert Hren, Project Manager
Roseville Electric
2090 Hilltop Circle
Roseville, CA 95747

CONSULTANTS FOR APPLICANT

Doug Davy
CH2M Hill
2485 Natomas Park Drive, Suite 600
Sacramento, CA 95833

Andrea Grenier
Grenier & Associates, Inc.
1108 Kris Way
Roseville, CA 95661

COUNSEL FOR APPLICANT

Galati & Blek LLP
Scott A. Galati
555 Capitol Mall, Suite 600
Sacramento, CA 95814

INTERVENORS

CURE
c/o Adams Broadwell Joseph & Cardozo
Attn: Mark D. Joseph & Tanya
Gulesserian
651 Gateway Blvd., Suite 900
S. San Francisco, CA 94080

INTERESTED AGENCIES

Patty Dunn
Assistant City Manager
311 Vernon Street
City of Roseville
Roseville, CA 95678

I declare under penalty of perjury that the foregoing is true and correct.

Carole Phelps